

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HILLVIEW SEWER)	
PLANT #1 FOR AN ADJUSTMENT OF RATES)	
PURSUANT TO THE ALTERNATIVE RATE)	CASE NO. 93-282
FILING PROCEDURE FOR SMALL)	
UTILITIES)	

O R D E R

On August 11, 1993, Hillview Sewer Plant #1, Inc. ("Hillview Sewer") applied for an increase in its rates for sewer service. The proposed rates for sewer service would generate additional annual revenues of \$67,385, an increase of 90 percent above test-year normalized revenues.

On September 23, 1993, Commission Staff conducted a field review of Hillview Sewer's test-period financial records. Based upon this review, Commission Staff issued its report on January 12, 1994, recommending that Hillview Sewer be allowed to increase its normalized operating revenues by \$4,890.

On January 12, 1994, the Commission granted Hillview Sewer 15 days in which to file comments on the Staff Report or request a hearing or the case would stand submitted to the Commission for decision. No comments on the Staff Report nor request for a hearing have been received.

The Commission, after considering the evidence of record and being otherwise sufficiently advised, finds:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates proposed by Hillview Sewer in its application will produce revenues in excess of that found reasonable herein and should be denied.

3. The rates in Appendix A are the fair, just, and reasonable rates for Hillview Sewer and will produce gross annual revenues of \$79,680. These rates will allow Hillview Sewer sufficient revenues to meet its operating expenses and provide for future equity growth, including provisions for servicing its debt.

IT IS THEREFORE ORDERED that:


1. The rates proposed by Hillview Sewer in its application are denied.

2. The rates contained in Appendix A are approved for service rendered by Hillview Sewer on and after the date of this Order.

3. Within 30 days of the date of this Order, Hillview Sewer shall file with the Commission its revised tariff setting out the rates approved for service rendered on and after the date of this Order.

Done at Frankfort, Kentucky, this 15th day of February, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 93-282 DATED February, 1994

The following rates and charges are prescribed for the customers in the area served by Hillview Sewer Plant #1, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Classification</u>	<u>Monthly Rate</u>
Single Family	\$12.00
Multi-Family	\$ 9.00
Commercial	\$24.00